

Determination Of Factors That Influence Employee Performance

Ayu Lestarina¹, Handayu Safitri²

Swadaya Gunung Jati University ^{1,2},

Email: ayulestarina21@gmail.com , handayu.sakitri@gmail.com

ABSTRACT

The objective of this research is to examine empirical data demonstrating how a leader's style affects work discipline and employee performance. This research employed a census methodology, using 150 employees of PT. SurajBraja Cukup Rupiah as respondents, representing the entire population. Structural Equation Modeling (SEM) is the data analysis method used. The findings demonstrated that work discipline and employee performance were positively and significantly influenced by leadership style. While employee performance is not directly impacted by a leader's style, it is indirectly affected. These findings demonstrate that increased work discipline and staff performance follow from a stronger leadership style. Optimal performance can be improved by firm leadership exercising more discipline in the workplace.

Keywords:

Leadership Style;
Work Discipline;
Employee
Performance

INTRODUCTION

The objective of this research is to examine empirical data demonstrating how a leader's style affects work discipline and employee performance. This research employed a census methodology, using 150 employees of PT. SurajBraja Cukup Rupiah as respondents, representing the entire population. Structural Equation Modeling (SEM) is the data analysis method used. The findings demonstrated that work discipline and employee performance were positively and significantly influenced by leadership style. While employee performance is not directly impacted by a leader's style, it is indirectly affected. These findings demonstrate that increased work discipline and staff performance follow from a stronger leadership style. Optimal performance can be improved by firm leadership exercising more discipline in the workplace.

The individual performance of an organization's personnel has an impact on its success. In an effort to meet corporate objectives, a corporation will work to raise employee performance. In essence, performance is what workers do or do not do. Employee performance, which includes attendance at work, quality and amount of production, duration of output, and cooperative attitude, determines how much an employee contributes to the firm (Mathis and Jackson, 2002). The company's leadership style is one element that might influence an employee's performance, both good and negative. A person's leadership style is the standard of conduct they employ while attempting to shape the behavior of others in a way that they find desirable. An suitable leadership style is required in organizations to create a positive work atmosphere and boost employee performance, both of which are necessary to achieve high productivity (Ardana, d.k.k, 2012).

Work discipline has elements that impact the reduction in employee performance in addition to leadership style. A leader's ability to execute their role effectively is measured by their level of discipline. According to Davis and Newstrom (1985: 87), work discipline is a management strategy used to uphold organizational norms. Additionally, discipline is a tool for employee control. Its consistent application demonstrates the caliber of a team's performance inside a business, and it requires

that employees who fall short of predetermined standards face consequences. As a result, discipline is not meted out arbitrarily but rather with careful thought. Employee behavior that complies with company policies and upholds high standards of discipline will improve the business environment and positively affect operations. As a result, every business expects its staff to be able to follow established regulations.

The findings of earlier studies on the relationship between leadership style and work discipline, as reported by Tintami et al. (2013), Liyas (2017), and Muthi and Djuwita (2019), demonstrated that work discipline was significantly improved by leadership style. The findings of earlier studies on the impact of leadership style on worker performance offer conflicting evidence, with some researchers finding a relationship between leadership style and worker performance. Susanty and Baskoro (2012), Wiratama and Sintaasih (2013), Putra (2014), Iqbal et al. (2015), Chandra (2016), Fathia et al. (2018), Jayanti & Wati (2019) are only a few of the publications that have documented the favorable impact of leadership style on employee performance. However, contrary research findings—which show that employee performance is unaffected by leadership style—are reported by Ariyani and Ariyanto (2011). The same is true of the findings of earlier studies on the impact of work discipline on worker productivity. Susanty and Baskoro (2012), Wiratama and Sintaasih (2013), Putra (2014), Suyono (2014), Hersona & Sidharta (2016), and Fathia et al. (2018) have all provided evidence of the beneficial effects of discipline on employee performance. However, Kurniawan and Santoso (2012) recorded the findings of several distinct investigations on the negligible influence of work discipline.

Based on a first survey, researchers learned about work discipline, leadership style, and employee performance from the Head of Human Resources (HR), who reported that there are still some employees at PT Surajbraja Cukup Rupiah who do not make the most of their working hours. These employees include those who appear relaxed and aimlessly stroll around the office, as well as those who use their time to access social media and watch YouTube. The number of employees who violate established official memos by not following rules, such as arriving late or failing to wear work uniforms. This problem may arise from a lack of strong leadership in the organization, where the leader fails to criticize staff members who disobey established policies. communication breakdown between superiors and subordinates. leaders who contribute little to the current issues. Employees are usually angry with their leaders since they haven't been able to resolve issues in a proper manner.

It takes more than just a strong leadership style and work discipline to produce productive and efficient employee performance. As a result, managers can motivate staff members to exercise strong discipline in order to meet organizational objectives. The aforementioned concerns are critical ones that require careful consideration. If ignored, they could negatively damage the company's reputation and lower staff performance, which would impede the attainment of the organization's goals and objectives. If the organization or business can effectively motivate its staff to be disciplined and put in a lot of effort toward achieving the company's shared objectives, these issues can be avoided.

The goal of this study is to investigate how leadership style affects work discipline and how that affects employee performance, as indicated by the background description. This study differs from others in that it looks at the direct and indirect effects of leadership style on work discipline at PT Surajbraja Cukup Rupiah.

METHOD

The sample in this study was all employees of PT. SurajBraja Cukup Rupiah which amounts to 150 employees. The following are the variables, dimensions and indicators used in this study:

Table Operational Variables

Variable	Variable Concept	Dimension	Question Indicator
Leadership Style (X1) Independent Variable	Leadership is the capacity to persuade a group of people to pursue objectives. Reference: Sadarmayanti (2009: 72) Yukl (2002: 137)	1. Charismatic	1. Leaders motivate employees 2. Leader trust 3. Leader direction
		2. Intellectual Stimulation	1. Troubleshooting 2. Leaders stimulate the creativity of subordinates 3. Role leader to the issue
		3. Mindfulness Intellectual property	1. Individual attention 2. Open communication with employees 3. Close communication with employees 4. Contact immediately towards employees
Work Discipline (X2) Intervening Variable	Being disciplined involves being aware of and prepared to follow all workplace policies as well as relevant social norms. Hasibuan (2007:193) Handoko ,(2008:208)	1. Preventive Discipline	1. Code of Conduct 2. On time 3. Keep the office clean 4. Compliance with rules 5. Attendance
		2. Corrective Discipline	1. Leadership assertiveness 2. Responsibility 3. Penalty 4. Using the facilities
Employee Performance (Y) Dependent Variable	Performance is the outcome that an insider, or group of insiders, can do in order to lawfully accomplish goals for the company in question, in a way that complies with the law, morality, and ethics, and does not contradict any of these things. Prawirosentono (2010) Mangkunegara (2010:67)	Motivational Factors	1. Working situation 2. Able to solve the problems of the given work 3. Have responsibility 4. Behaviour 5. Able to complete the work given
		Capability Factor	1. Give work according to employee expertise 2. Education level 3. Doing work with full of benefits 4. Skilled at work

RESULTS AND DISCUSSION

1. Descriptive Analysis

The study's findings indicate that each charismatic dimension's indicators, as well as intellectual stimulation and intellectual attention to leadership style variables, tend to respond rather effectively when their mean values are above 3. Work discipline is the second variable. Its indicator has a mean value of 3.85, indicating that it tends to respond well in this dimension. When employees follow all specified regulations, the preventative discipline dimension in indication X2.1.1 gets the maximum positive reaction (4.65). It is established that workers follow the policies established by the organization, which each worker is required to follow.

With a mean value of 3.68, the employee performance variable—the third variable—has a good trend toward responses. The indication Y1.1.4's ability factor dimension, which pertains to employees' lack of attitude maintenance in the workplace, has the highest negative reaction (2.87). It is demonstrated by this that certain employees continue to act in a way that makes it uncomfortable for other employees to work there. The Y2.2.2 indicator's motivation ability dimension has the maximum negative response of 2.98, indicating that performance improves with education level. It has been demonstrated that each employee's position is impacted by their greater level of education.

2. Test Validity and Reliability

The variables of leadership style, work discipline, and employee performance have composite reliability above 0.7, according to the validity and reliability output results. This means that the indicators used in each dimension have sufficient reliability or are able to measure the construction.

The influence of second order constructs of leadership style, work discipline, and employee performance affects the dimensions of employee performance constructing ability factors and motivation factors with the highest alpha cronbachs value, according to the findings of the validity and reliability analysis above. Thus, it can be said that charm, intellectual stimulation, and attention to detail are the three characteristics that make up the concept of leadership style. The preventative discipline dimension and the corrective discipline dimension combine to form the concept of work discipline. The ability factor and the motivation factor are the two dimensions that make up the construction of performance.

3. Hypothesis Testing

T-statistical values were used to each pathway of partial direct influence in order to test the hypothesis in this investigation. Every dimension in every variable has a Tstatistics value larger than 1.660, indicating that these dimensions are capable of measuring every construct, according to hypothesis testing. In the meantime, the statistical value of the Smart PLS output is compared with the Ttabel value in order to examine the link between variables (hypothesis test). The outcomes of the relationships between the constructs (variables) are shown in the table below.

Table Path Coefficients (Mean, STDEV, P-Values)

Relationships Between Variables			Parameter Coefficient	T Statistics	P Value	Information
Employee Factors	Performance	->Motivational	0.934	40.304	0.000	Significant**
Performance	Employee Capability Factor	->	0.910	38.901	0.000	Significant**
Leadership Style -> Intellectual Stimulation			0.813	22.780	0.000	Significant**
Leadership Style -> Intellectual Attention			0.824	24.070	0.000	Significant**
-> Charismatic Leadership Style			0.802	10.587	0.000	Significant**
Leadership Style -> Work Discipline			0.327	2.233	0.013	Significant**
Leadership Style	Performance	-> Employee	-0.082	0.792	0.214	Insignificant
Work Discipline -> Employee Performance			0.793	9.972	0.000	Significant**
Work Discipline ->Preventive Discipline			0.876	72.037	0.000	Significant**
Work Discipline ->Corrective Discipline			0.879	29.545	0.000	Significant**
Leadership Style	Performance Through Work Discipline	-> Employee	0.236	1.948	0.026	Significant**

The research path diagram above is then converted into the form of an equation, which looks like this:

$$WD = 0.321 LS + e1 \quad (1)$$

$$EP = -0.071 LS + 0.773 WD + 0.247 LS WD + e2 \quad (2)$$

According to the first study model, Work Discipline will increase by 0.321 when Leadership Style grows (increases by 1%). This indicates that Work Discipline is influenced by Leadership Style. Conversely, work discipline will also decrease if the leadership style declines.

With a regression coefficient of -0.071, Leadership Style was found to have no effect on Employee Performance in the second research model, whereas Work Discipline had a significant effect of 0.773. This implies that employee performance rises in tandem with an increase in work discipline.

4. The Influence of Leadership Style on Work Discipline

According to the hypothesis test, there is a positive influence between leadership style and work discipline, as indicated by the coefficient of path parameters obtained from the influence of leadership style variables on work discipline, which is 0.321 with a statistical value of $2,233 > 1,660$ at the significance level $\alpha = 0.05$ (5%). The parameter coefficient's value of 0.321 indicates that work discipline improves with a stronger leadership style.

The first hypothesis—that leadership styles have a favorable and significant impact on work discipline—is supported by the study's findings. This finding indicates that workers' work-related discipline will rise with an improved leadership style. This is consistent with studies by Liyas (2017), Muthi and Djuwita (2019), and Rivai and Jauvani (2009) that demonstrate the beneficial impact of leadership style on work discipline variables.

5. The Influence of Leadership Style on Employee Performance

The second study's test results refuted the claim that a leader's style had no discernible impact on worker performance. The second hypothesis, according to which employee performance is not influenced by leadership style, is refuted by the study's findings. The findings of this study corroborate earlier research published by Ariyani and Ariyanto (2011), which found no relationship between leadership style and worker performance. These earlier studies were conducted by Susanty and Baskoro (2012), Wiratama and Sintaasih (2013), Putra (2014), Iqbal et al. (2015), Chandra (2016), Fathia et al. (2018), Jayanti & Wati (2019), and others. At PT. Surajbraja Cukup Rupiah Division, a worker's performance is not directly impacted by their leadership style.

6. The Effect of Work Discipline on Employee Performance

The third study indicates that there is a considerable impact of work discipline on employee performance based on the results of hypothesis testing. This outcome demonstrates that an employee performs better at work the more disciplined they are in their work. According to research, work discipline has a favorable impact on employee performance characteristics. This is supported by studies by Susanty and Baskoro (2012), Wiratama and Sintaasih (2013), Putra (2014), Suyono (2014), Hersona & Sidharta (2016), and Fathia et al. (2018).

7. The influence of leadership style on employee performance through work discipline

The fourth research hypothesis was tested, and the results showed that work discipline has a good and significant impact on employee performance under a leader's direction. The fourth research hypothesis—which holds that leadership styles have a favorable and significant impact on employee performance through work discipline—is supported by this outcome. These findings demonstrate that greater leadership style influence will also result in increased work discipline among employees, which will enhance worker performance. This is consistent with studies by Susanty and Baskoro (2012), who found that a leader's style had a favorable impact on work discipline and staff performance. Because work discipline can moderate the impact of leadership style on employee performance, it is an intervening variable.

Discussion

The research findings shed light on the intricate interplay between leadership style, work discipline, and employee performance within organizational settings. Notably, the positive influence of leadership style on work discipline corroborates established theories such as transformational leadership, which posits that effective leadership fosters a disciplined work environment by inspiring and motivating individuals (Bass, 1985). However, the absence of a direct impact of leadership style on employee performance suggests that other factors, such as work discipline, play a pivotal role in enhancing individual performance, aligning with theories such as Expectancy Theory, which emphasizes the significance of motivation and ability in driving performance outcomes (Vroom, 1964). Moreover, the identification of work discipline as an intervening variable underscores its crucial role in moderating the

relationship between leadership style and employee performance, highlighting the complexity of organizational dynamics and the need for nuanced approaches to leadership and performance management.

These research insights contribute significantly to our understanding of organizational behavior and management practices, highlighting the multifaceted nature of leadership impact and the importance of fostering a disciplined work culture. By recognizing the intricate relationships between leadership, work discipline, and performance, organizations can tailor their leadership development programs and performance management strategies to cultivate environments conducive to employee productivity and success. Furthermore, future research efforts should explore additional contextual factors, such as organizational culture and individual characteristics, to provide a more comprehensive understanding of the dynamics at play and inform evidence-based interventions aimed at optimizing organizational performance and effectiveness.

CONCLUSION

Drawing from the findings of study utilizing both descriptive and verifiable analysis, PT. SurajBraja Employee expectations have not aligned with Rupiah's leadership style. Ineffective employee motivation and inadequate communication between leaders and staff are only two of the many things that leaders continue to do that contribute to leadership issues. Work discipline is positively and significantly impacted by leadership style, meaning that as leadership style increases, work discipline will also rise. This is supported by empirical data. Employee performance is positively and significantly impacted by work discipline. Although work discipline has a greater indirect impact on employee performance than leadership style does, a greater leadership style will also result in more work discipline, which will enhance employee performance.

Due to the study's constraints, data collection for this research is limited to questionnaires that respondents—specifically, employees—have been given. According to research findings from verification and descriptive analyses, PT. SurajBraja is highly rupiah. Based on the study's findings, it is advised that division leaders continue to attend leadership development courses in order to equip them with the knowledge of the kinds of leadership philosophies that can enhance worker performance and discipline in their organizations. Employee discipline must be strengthened, along with cooperative relationships and effective communication between managers, staff members, and other employees.

A strong boss is necessary to ensure that workers follow the company's rules and enhance work discipline. Due to the limits of this study, data collection is solely dependent on the answers to questionnaires that were given to respondents, primarily employees. Interview techniques are not used in this study. Drawing from the findings of the study using both descriptive and verifiable analysis, PT. SurajBraja cukup rupiah

Reference

- Tjahyanti, S., & Chairunnisa, N. (2020). Kompetensi, Kepemimpinan, Disiplin Kerja Terhadap Kinerja Karyawan Human Resources and Facility Management Directorate. *Media Bisnis*, 12(2), 127-132.
- Anitha, J. (2014). Determinants of employee engagement and their impact on employee performance. *International journal of productivity and performance management*, 63(3), 308-323.

- Pawirosumarto, S., Sarjana, P. K., & Muchtar, M. (2017). Factors affecting employee performance of PT. Kiyokuni Indonesia. *International journal of law and management*, 59(4), 602-614.
- Shahzadi, I., Javed, A., Pirzada, S. S., Nasreen, S., & Khanam, F. (2014). Impact of employee motivation on employee performance. *European Journal of Business and Management*, 6(23), 159-166.
- Biswas, S., & Varma, A. (2011). Antecedents of employee performance: an empirical investigation in India. *Employee Relations*, 34(2), 177-192.
- Jamaludin, A. (2017). Pengaruh gaya kepemimpinan terhadap kinerja karyawan pada PT. Kaho Indahcitra Garment Jakarta. *JABE (Journal of Applied Business and Economic)*, 3(3), 161-169.
- Suwarno, S., & Bramantyo, R. Y. (2019). Pengaruh gaya kepemimpinan terhadap kinerja organisasi. *Transparansi Hukum*, 2(1).
- Dewi, S. P. (2012). Pengaruh pengendalian internal dan gaya kepemimpinan terhadap kinerja karyawan SPBU Yogyakarta (studi kasus pada spbu anak cabang perusahaan RB. Group). *Nominal Barometer Riset Akuntansi dan Manajemen*, 1(1).
- Hasibuan, J. S., & Silvya, B. (2019, December). Pengaruh disiplin kerja dan motivasi terhadap kinerja karyawan. In *Prosiding Seminar Nasional USM* (Vol. 2, No. 1, pp. 134-147).
- Rosalina, M., & Wati, L. N. (2020). Pengaruh Gaya Kepemimpinan Terhadap Disiplin Kerja Dan Dampaknya Terhadap Kinerja Karyawan. *Jurnal Ekobis: Ekonomi Bisnis & Manajemen*, 10(1), 18-32.